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14 Nov 2023



**Government  
of South Australia**

# GREEN INDUSTRIES SA 2022-23 Annual Report

GREEN INDUSTRIES SA

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ISSN: 978-1-921114-40-3

Date approved by the Board: 7 September 2023

Date presented to Minister: 29 September 2023

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To:

Hon Dr Susan Close MP

Deputy Premier

Minister for Climate, Environment and Water

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Finance and Audit Act 1987*, the *Green Industries SA Act 2004*, the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*, and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Green Industries SA by:

**Nikki Govan**

Presiding Member, Board of Green Industries SA

Date: 28 September 2023

Signature



**Ian Overton**

Chief Executive, Green Industries SA

Date: 28 September 2023

Signature



## From the Presiding Member and Chief Executive

South Australia is known for its leadership in resource recovery and waste management – core components of the circular economy. During 2022-23, Green Industries SA (GISA) continued to build upon its leadership position in these areas to support South Australia's transition to a circular economy, as well as a sustainable future, economically, environmentally and socially.

Circularity of resources is required for the green reindustrialisation of the state's economy, to address climate change and to live within planetary boundaries. Our leadership in circular economy principles provides the foundation for South Australia to make the most of the opportunities presented by the global demand for a sustainable future.

GISA continued crucial programs in reducing waste, increasing resource recovery and diverting material from landfill. We continue to target food waste, kerbside collection services and single-use plastic products, as well as deliver other programs aimed at transitioning South Australia to a more sustainable and circular economy.

Some of our achievements in 2022-23 include:

- Awarding grant and incentive funding to incentivise diversion of food waste from landfill; support modernised and improved Local Government services and subsidise regional councils to transport recyclable materials to processing facilities; support development of circular economy markets; assist South Australian businesses and industry with sustainable and circular business models; invest in new and improved resource recovery infrastructure; and assist charitable recyclers with the costs of disposing of unusable donated goods: [www.greenindustries.sa.gov.au/projects-funded](http://www.greenindustries.sa.gov.au/projects-funded)
- Release of the [SA Better Practice Guide: Sustainable Kerbside Services](#) to provide practical information and tools to assist South Australian councils to introduce more sustainable kerbside collection systems
- Announcement of additional bans on single-use and other plastic products under the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*: [www.replacethewaste.sa.gov.au/](http://www.replacethewaste.sa.gov.au/)
- Release of the [Circular Economy in South Australia's Built Environment – Action Plan](#) in collaboration with the Green Building Council of Australia
- Development of the SA ZERO (Zero Carbon / Zero Waste) Industry Cluster
- Release of two Circular Economy Opportunities Reports in collaboration with Regional Development Australia organisations in the [Murraylands and Riverland](#) and [Limestone Coast](#)
- Bringing economic localisation and development expert Michael Shuman to Adelaide to hold workshops with and present to state government policy makers, academics, the social enterprise sector, local government and business and industry stakeholders on the benefits of localisation to circular economic development

- Partnering with Collab4Good to deliver the Circular Economy Social Enterprise Incubator Program

During 2022-23 GISA continued to support and partner with South Australian businesses and industry sectors to accelerate sustainable change through GISA's Business Sustainability Program (BSP). The BSP helps achieve a more economically and environmentally sustainable future and some of the highlights for 2022-23 included; Accelerating Net Zero Emissions for Business, and provided training to 32 businesses in developing strategies for reducing scope 1, 2 and 3 emissions; Metcash Food Rescue Program resulting in rescue of over 342 tonnes of food from independent supermarkets and over 685,000 meals donated; Edwardstown Employment Precinct Circular Economy Project in partnership with the City of Marion and; leading Environmental Sustainability and Responsible Practice and supporting development of sustainability action plans in 2023-24, in partnership with Festival City Adelaide.

GISA also continued delivery of core programs in state-wide recycling education; policy development and contribution – South Australia and nationally; administration of grant, incentive and subsidy funding – including towards infrastructure projects under the joint-Australian Government funded Recycling Modernisation and Food Waste for Healthy Soils funds; evaluation, metrics and reporting; collection, treatment and disposal of household chemicals and paint; and engagement and partnerships.

In 2022-23, South Australia experienced one of the largest natural disasters in its history with the River Murray flooding event. As the lead State Government agency for disaster waste management under the State Emergency Management Plan, GISA was activated to contribute to recovery efforts through a coordinated waste and debris clean-up program. The Australian and State governments jointly committed \$60 million for waste management and other clean-up work, as part of the largest funding package for disaster waste in the history of South Australia. The clean-up program will continue in 2023-24.

In February 2023, a new Presiding Member and three new members were appointed to the Board of Green Industries SA. We thank the outgoing Presiding Member, Kevin McGuinness and members Paul Sandercock and Vincent Tremaine, for their valuable contributions to GISA and the circular economy in South Australia.

Nikki Govan

**Presiding Member**

**Board of Green Industries SA**

Ian Overton

**Chief Executive**

**Green Industries SA**

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## Overview: about the agency

### Our strategic focus

<p><b>Our Purpose</b></p>	<p>GISA is a leader in the circular economy through innovation, collaboration and excellence:</p> <ul style="list-style-type: none"> <li>• Improving our environment and well-being</li> <li>• Creating prosperity and increasing economic growth</li> <li>• Valuing our resources and reducing pollution and waste</li> </ul>
<p><b>Our Vision</b></p>	<p>Creating a sustainable future, focusing on the value of materials in a circular economy and providing economic, social and environmental benefits.</p>
<p><b>Our Values</b></p>	<ul style="list-style-type: none"> <li style="width: 50%;">• Service</li> <li style="width: 50%;">• Collaboration and Engagement</li> <li style="width: 50%;">• Professionalism</li> <li style="width: 50%;">• Honesty and Integrity</li> <li style="width: 50%;">• Trust</li> <li style="width: 50%;">• Courage and Tenacity</li> <li style="width: 50%;">• Respect</li> <li style="width: 50%;">• Sustainability</li> </ul>
<p><b>Our functions, objectives and deliverables</b></p>	<p>GISA’s guiding principles, objectives and functions are detailed in the <i>Green Industries SA Act 2004</i>.</p> <p>GISA’s strategic plan, five-year state waste strategy and annual business plan, are available publicly on the agency’s website.</p> <p>GISA’s four Focus Areas and nine Strategic Priorities are:</p> <p><b>Waste and Recycling:</b></p> <ol style="list-style-type: none"> <li>1. Zero food waste</li> <li>2. Kerbside reform</li> <li>3. Single-use plastics</li> <li>4. South Australian leadership in waste diversion</li> </ol> <p><b>Circular Economy:</b></p> <ol style="list-style-type: none"> <li>5. Circular economy transition</li> <li>6. Remanufacturing infrastructure</li> </ol> <p><b>Sustainability:</b></p> <ol style="list-style-type: none"> <li>7. Business and industry sustainability</li> <li>8. Sustainability engagement and transition</li> </ol> <p><b>People, Systems and Performance:</b></p> <ol style="list-style-type: none"> <li>9. High performing employer of choice</li> </ol>

## Our organisational structure

The Board of Green Industries SA is the agency's governing body pursuant to section 9 of the *Green Industries SA Act 2004*. The Board has a strategic, policy and governing role and provides the decision-making capacity of the agency.

The Chief Executive of Green Industries SA, Professor Ian Overton is an *ex officio* member of the Board.

Board membership and terms of appointment at 30 June 2023 were:

Ms Nikki Govan, Presiding Member (23/02/2023 – 22/02/2026)

Dr Tracey Dodd, Member (9/08/2021 - 4/08/2024)

Mr Adrian Skull, Member (9/08/2021 - 4/08/2024)

Prof. Jodie Conduit, Member (23/02/2023 – 4/08/2024)

Mr Dougal McOmish, Member (23/02/2023 – 22/02/2026)

Ms Tracey Powell, Member (23/02/2026 – 22/02/2026)

Ms Rebecca Wilson, Member (23/02/2026 – 22/02/2026)

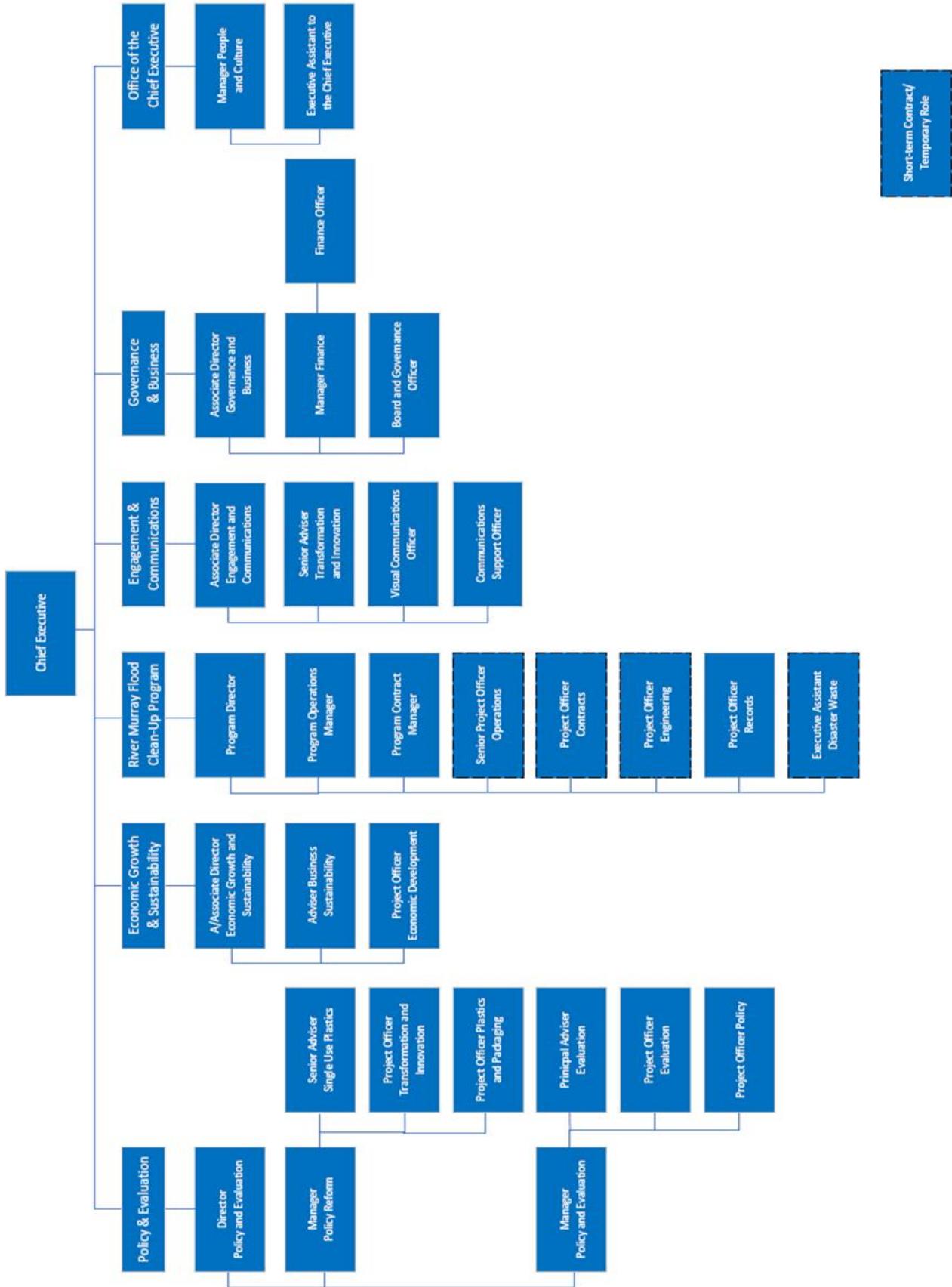
Prof. Ian Overton (ex officio)

The Board of Green Industries SA held 12 sessional meetings and industry site visits in 2022-23.

GISA is subject to the direction of the Minister for Climate, Environment and Water, except in relation to the making of a recommendation or report to the Minister.

During 2022-23, the agency had 2 Executive-level classified positions including the Chief Executive.

The GISA Organisational Chart reflects the structure of the agency at 30 June 2023:



Short-term Contract/  
Temporary Role

## Changes to the agency

During 2022-23 the following changes were made to the agency's structure and objectives:

- Resignation of the Associate Director Transformation and Innovation, with staff from that unit joining other units
- Creation of a temporary unit to focus on the River Murray Clean-Up Program. The unit comprises of 4 existing GISA staff, 2 new staff on short-term contracts, and 2 staff that have been recruited through temporary labour hire arrangements.

There were no changes in 2022-23 to the agency's structure and objectives as a result of machinery of government changes.

## Our Minister

GISA is a portfolio agency of the Minister for Climate, Environment and Water, and Deputy Premier, the Hon Susan Close MP.

## Our Executive team

GISA's Executive team at 30 June 2023 comprised of:

- Professor Ian Overton, Chief Executive
- Mr Ian Harvey, Director Policy and Evaluation
- Ms Michaela Heinson, Director Disaster Waste
- Ms Aubrey Thomas, A/Associate Director Economic Growth and Sustainability
- Mr Josh Wheeler, Associate Director Governance and Business
- Mr Matthew Scales, Associate Director Engagement and Communications
- Ms Bernadette Gersbach, Manager People and Culture

## Legislation administered by the agency

*Green Industries SA Act (2004)*

*Single-use and Other Plastic Products (Waste Avoidance) Act (2020)*

## Other related agencies (within the Minister's area/s of responsibility)

GISA works closely with the Environment Protection Authority (EPA) and Department for Environment and Water (DEW) within the Climate, Environment and Water Portfolio.

In accordance with the *Green Industries SA Act 2004*, GISA makes use of information from the EPA in relation to waste management and resource recovery. GISA also coordinates and liaises with the EPA in the development and implementation of waste strategies, as well as local and national policy in waste management, resource recovery and circular economy. GISA works closely with the EPA in the implementation and administration of the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*.

GISA works with DEW on related areas of sustainability and climate change, including actions in SA's Climate Change Action Plan. GISA also has a service level agreement with DEW for a range of corporate services including information and communications technology, financial accounting and procurement, human resources, facilities management and governance, and the adoption of DEW policies where GISA does not have an agency-specific policy in place.

GISA works with other state government organisations in the course of its projects, programs, and business functions including; SA Water, the Department of Primary Industries and Regions SA (PIRSA), Infrastructure SA, the Office of the Industry Advocate, SA Health, SAFECOM, Department for Trade and Investment (DTI), Department for Industry, Innovation and Science (DIIS), Department for Energy and Mining (DEM), Department for Infrastructure and Transport (DIT), Department of Treasury and Finance (DTF), Department of the Premier and Cabinet (DPC) and Auditor-General's Department (AGD).

## The agency's performance

### Performance at a glance

- Disaster waste management for the River Murray Flood Clean-up Program:
  - 1,786 property owners register for assistance
  - 496 assessments completed
  - 8,181 tonnes of flood affected material removed
  - Recovery / landfill diversion rate of 30.66%
  - 100% of all plant and equipment locally sourced.
- SA Waste Strategy Targets (2021-22 – most recent data):
  - Municipal Solid Waste (MSW) – target of 65% diversion by 2023  
52% diversion achieved in 2021-22
  - Commercial and Industrial (C&I) Waste – target of 85% diversion by 2023  
91% diversion achieved in 2021-22
  - Construction and Demolition (C&D) Waste - target of 90% diversion by 2023  
86% achieved in 2021-22.
- Overall recovery rate in SA (2021-22): 81.9%.
- Destination of recovered materials (2021-22): 92% reprocessed within South Australia, 6% exported and 2% sent interstate.
- Value of resource recovery in South Australia (2021-22): estimated \$649 million, increased from \$479 million in 2020-21.
- \$3.403 million in funding assistance (grants, incentives and subsidies) awarded.
- Additional 18 products announced for phase-out under the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*.
- 578.76 tonnes of household chemicals (including paint) and 4473.64 kilograms of light globes were collected and disposed.

**Agency specific objectives and performance**

<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
<p>Promote waste management practices that, as far as possible, eliminate waste or its consignment to landfill</p>	<p>Prevention of waste and diversion of waste from landfill</p>	<p>The most recent data available (2021-22) demonstrates waste generation in South Australia decreased to 4.88 million tonnes compared to 5.10 million tonnes in 2020-21.</p> <p>Waste generation per capita also decreased by 5.8% in 2021-22 compared to 2020-21.</p> <p>South Australia had an overall recovery rate of 81.9%, slightly lower than 83.5% in the previous year, representing a 45,000 tonne increase in landfill. This is attributed to solid waste levy regulatory amendments that commenced on 1 December 2021, which better capture reporting on waste soils disposed to landfill, and the continuation of activity as a result of COVID 19 economic stimulus measures.</p>
<p>Promote innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present a valuable opportunity to contribute to the State's economic growth</p>	<p>Investment in waste management, resource recovery and green industry sectors, including in the circular economy</p>	<p>GISA awarded \$3.403 million in funding assistance and expended \$17.368 million in funding assistance in 2022-23. Further information on funding awarded by GISA is available on the agency's website: <a href="http://www.greenindustries.sa.gov.au/projects-funded">www.greenindustries.sa.gov.au/projects-funded</a></p> <p>The total value of resource recovery in SA in 2021-22 is estimated at \$649 million, a considerable increase from the estimated value in 2020-21 of \$479 million. This is mostly due to some 'other organics' included for the first time in this reporting period.</p>

**Corporate performance summary**

GISA met its approved 2022-23 budget and achieved its existing savings target of \$1.49 million.

In 2022-23, GISA had a staff retention rate of 107%.

Total greenhouse gas emissions: 272 tonnes CO<sub>2</sub> equivalent.

**Employment opportunity programs**

GISA participates in Public Sector-wide equal opportunity programs such as the SA Public Sector Aboriginal Recruitment and Development Strategy and Aboriginal Employment Register, Strategy for Employment of People with Disabilities, and redeployee programs.

Other inclusion activities for GISA in 2022-23 included;

- In 2022-23, GISA’s Disability, Diversity and Inclusion Committee continued to drive the organisation’s work in these areas, with an initial focus on developing a Reconciliation Action Plan and achieving re-accreditation with White Ribbon Australia.
- The Single-use Plastic Stakeholder Taskforce chaired by GISA, comprises representatives of people living with disabilities. These representatives (from social profit, and peer-led organisations) continue to contribute perspectives of people living with disabilities on topics concerning the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*, and subordinate regulations.

**Agency performance management and development systems**

<b>Performance management and development system</b>	<b>Performance</b>
Performance Review and Development Planning	In 2022-23, 100% of GISA staff completed at least one Performance Review and Development Planning session.
Leadership and management development	GISA invested \$91,015 in staff training and development in 2022-23. Of this \$20,398 was in relation to leadership and management development.

**Work health, safety and return to work programs**

Program name	Performance
<p>Work Health and Safety Management System</p>	<p>GISA’s Work Health and Safety (WHS) Management System brings together the agency’s WHS policies, procedures and forms, providing staff with access to information and guidance on their roles and responsibilities for preventing and managing workplace injuries and illness.</p> <p>The WHS Management System (WHSMS) is compliant with the <i>Work Health and Safety Act 2012</i> and <i>Work Health and Safety Regulations 2012</i>.</p> <p>Key activities in 2022-23 under the WHSMS included:</p> <ul style="list-style-type: none"> <li>• annual review of remote working arrangements</li> <li>• annual ergonomic self-assessment of office workstation</li> <li>• workplace inspection</li> <li>• workplace flu vaccinations</li> <li>• fire safety equipment maintenance</li> <li>• electrical testing and tagging.</li> </ul> <p>GISA’s WHSMS is undergoing a comprehensive review to ensure relevancy and address any identified gaps (e.g., involvement in disaster waste management – GISA’s current WHSMS was designed for low-risk, office-based workplace only). Following the review, the updated WHSMS will be distributed to all staff.</p>
<p>Disaster Waste Management - River Murray Flood clean-up Program</p>	<p>In 2022-23, GISA was activated to lead the coordinated management and clean-up of waste and debris generated by the River Murray flooding event.</p> <p>This level of operational involvement is not within the scope of GISA’s WHSMS and associated policy and procedure documentation.</p> <p>An external WHS specialist was engaged to review the clean-up program lead contractor’s WHS plans and policies and to assist GISA to monitor the rigorous WHS controls required.</p> <p>A temporary WHS and Environmental Officer position was developed to assist with monitoring these aspects for the duration of the clean-up program.</p>

<b>Workplace injury claims</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Total new workplace injury claims	0	0	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

<b>Work health and safety regulations</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0

<b>Return to work costs**</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$411,189.82	\$60,509.96	+579%
Income support payments – gross (\$)	0	0	0

\*\*before third party recovery

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
SAES-1	2

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency reflecting the final approved 2022-23 budget. The information provided is unaudited, however the full audited financial statements for 2022-23 are attached to this report in **Appendix A**.

GISA is funded from the solid waste levy via the Green Industry Fund as per section 17(3)(a) of the *Green Industries SA Act 2004*.

In 2022-23, the Green Industry Fund received \$60.14 million in revenue, of which \$47.40 million was received in solid waste levy transfers from the EPA, \$10.076 million was received from the Australian Government via the Department of Treasury and Finance (DTF) for the National Partnership on Recycling Infrastructure Program, and the remaining \$2.67 million from other sources.

The agency's total expenditure in 2022-23 was \$60.989 million, including \$22.840 million in intra-government transfers for climate change initiatives (see other financial information below) and \$12.054 million for the River Murray flood disaster waste management.

The balance of the Green Industry Fund at 30 June 2023 was \$73.914 million.

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Total Income	67,618	60,141	(7,477)	53,490
Total Expenses	99,097	60,987	38,110	69,602
<b>Net Result</b>	<b>(31,479)</b>	<b>(846)</b>	<b>30,633</b>	<b>(16,112)</b>
<b>Total Comprehensive Result</b>	<b>(31,479)</b>	<b>(846)</b>	<b>30,633</b>	<b>(16,112)</b>

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Current assets	37,894	75,712	37,818	69,410
Non-current assets	2,295	2,295	0	2,346
<b>Total assets</b>	<b>40,189</b>	<b>78,007</b>	<b>37,818</b>	<b>71,759</b>
Current liabilities	1,726	8,441	(6,715)	1,717
Non-current liabilities	801	1,271	(470)	901
<b>Total liabilities</b>	<b>2,527</b>	<b>9,712</b>	<b>(7,185)</b>	<b>2,618</b>
<b>Net assets</b>	<b>37,662</b>	<b>68,295</b>	<b>30,633</b>	<b>69,141</b>
<b>Equity</b>	<b>37,662</b>	<b>68,295</b>	<b>30,633</b>	<b>69,141</b>

### Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and actual payments made for the work undertaken during the 2022-23 financial year.

Four consultants were engaged by GISA in 2022-23 for five projects listed below. The total value of the payments made to the consultant for these projects in 2022-23 was \$251,636 (GST exclusive).

#### Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	0

#### Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment (ex. GST)
Acil Allen Pty Ltd	Regulatory Impact Statement	163,136
Shifting Paradigms	South Australia's circular economy and climate change opportunities report	28,500
Mark Wadewitz	Chief Advisor Net Zero	15,000
Mark Wadewitz	Establishment of Net Zero Cluster and lead in Green Economy CRC bid	45,000
	Total	\$251,636

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

### Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

39 contractors were engaged by Green Industries SA in 2022-23, for 52 projects totalling \$13.467 million.

**Contractors with a contract value below \$10,000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10,000 each – combined	Various	71,211

**Contractors with a contract value above \$10,000 each**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment (ex. GST)</b>
Aurecon Australasia Pty Ltd	Development and delivery of the Circular Economy in Procurement Masterclass	25,000
Beatwave Pty Ltd	Single-use Plastic Products Ban - Education Campaign	153,524
Beatwave Pty Ltd	Which Bin Education	13,852
Beatwave Pty Ltd	Corporate Engagement and Communication	41,376
BDO Advisory (SA) Pty Ltd	Benefits of a Circular Economy to Regional South Australia	11,818
Boomerang Alliance Inc	Plastic free precinct pilot program	36,500
Boomerang Alliance Inc	Plastic free SA Program	100,000
Biz Hub Australia Pty Ltd	GRID Stages 2 and 3 development	63,826
Blue Environment Pty Ltd	Circular Economy Resource Recovery Reports 2020-21 to 2022-23	82,700
Cassy Petho	Single Use Plastics and related activities Project Officer	21,971
Cleanaway Operations Pty Ltd	Monthly collection of hazardous materials at the household chemical and paint drop-off facilities	545,241
Cleanaway Operations Pty Ltd	Blacklight Program - globe collection and recycling program	51,414

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment (ex. GST)</b>
Collab4Good	Circular Social Enterprise Incubator	60,000
Damia Ettakadoumi	Project Management Services and Document Review	10,400
Edge Environment Pty Ltd	Single Use Plastics Round 3	16,191
The Green Building Council of Australia	Circular Economy – highlighting opportunities for investment in South Australia’s built environment	65,500
Harmony Stevens	Circular Economy project support	16,255
Harrison McMillan Pty Ltd	Identification of candidates as Board Members, including Chair, of the Board of Green Industries SA	21,172
Michael H Shuman	Economic Localisation Presentations	19,522
McGregor Tan Research Pty Ltd	Litter Survey using Australian Litter Measure (AusLM) Methodology	38,363
McGregor Tan Research Pty Ltd	South Australian Use of Shopping Bags Survey	63,636
Rawtec Pty Ltd	Commercial and Industrial Waste Landfill Audits	139,711
Rawtec Pty Ltd	Waste Auditing - Organics Recycling Pilot Program	15,555
Rawtec Pty Ltd	Kerbside Reform Future Directions Report	79,905
Rawtec Pty Ltd	Sustainable Kerbside Services Better Practices Guide	43,332
Rawtec Pty Ltd	Circular Economy Procurement Transition in Pictures	9,666
Showpony	Which Bin Campaign	76,710
Square Holes Pty Ltd	Market Focus Groups, analysis and reporting	18,000
Think Films	Promotional Videos	25,043

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment (ex. GST)</b>
Trellis Technologies Pty Ltd.	Local Government (SA) GHG Benchmarking Study & Reporting	24,588
	<b>Sub Total - GISA</b>	<b>1,881,105</b>
Deconstruct	River Murray Flood disaster waste management hard waste collection	423,570
Johns Lyng Group – Disaster Management Australia	Coordinated disaster waste management of the River Murray flood	9,853,021
McMahon Services Australia Pty Ltd	River Murray Flood disaster waste management hard waste collection	191,111
Rider Levett Bucknell SA Pty Ltd	Quantity surveyor services for River Murray flood disaster waste management	292,330
Royal Park Salvage	River Murray Flood disaster waste management hard waste collection	585,368
Sustainable Solutions	River Murray Flood in field disaster waste management support	104,989
Trustee for Rico Family Trust (SOLO)	River Murray Flood disaster waste management hard waste collection	19,200
Waste and Management Services Pty Ltd	River Murray Flood in field disaster waste management support	45,532
	<b>Sub Total - River Murray Flood Clean-up</b>	<b>11,515,120</b>
	<b>Total</b>	<b>\$13,396,225</b>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

## Other financial information

In 2022-23, \$22.84 million from the Green Industry Fund was transferred to other state government agencies for climate change initiatives, as approved by the Minister for Climate, Environment and Water, pursuant to section 17(5)(b)(i) of the *Green Industries SA Act 2004*, independent of the Board of Green Industries SA.

The funding was allocated towards:

- Home Storage Subsidy Scheme – DEM (\$3 million)
- Grid Scale Storage Fund – DEM (\$5.15 million)
- Low Carbon Economy Unit – DEM (\$1.44 million)
- Securing the future of our metropolitan coastline – DEW (\$5.92 million)
- Securing the future of our regional coastline – DEW, Coast Protection Board (\$1.00 million)
- Core Climate Change Programs – DEW (\$4.83 million)
- Heritage agreement grants – DEW (\$1.5 million)

Further information on these initiatives can be sought from the respective agencies.

In 2022-23 the Australian and State governments jointly committed \$60 million for waste management and other clean-up work for the River Murray flood disaster. At 30 June 2023, the State Government through GISA expended \$12.054 million on this program from the Green Industry Fund. The remaining funds are expected to be expended in 2023-24. The State Government can apply for partial reimbursement (50%) of eligible costs from the Australian Government under Disaster Recovery Funding Arrangements.

## Risk management

### Risk and audit at a glance

The GISA Board has established the Governance Committee under section 12 of the GISA Act, to provide advice to the agency and Board regarding the management of corporate governance issues and risks.

The agency has well-established practices to manage core corporate governance areas, including in relation to risk management, fraud and corruption control, financial management and legislative compliance.

The GISA Risk Management Plan Framework (the Framework) is consistent with *ISO 31000:2018 Risk Management Guidelines*. The Framework underpins delivery of key agency functions, programs and strategies, and complements other key work undertaken by the agency in operational and governance support, including fraud and corruption prevention, workforce planning, and protective and cyber security.

The Framework incorporates a risk register to assess and document existing controls to mitigate and manage identified risks and future actions planned to further reduce the impact of risks. The risk register also supports the agency's compliance with *Treasurer's Instructions 2 – Financial Management*, and *Treasurer's Instructions 28 – Financial Management Compliance Program*.

The Risk Framework is an active document and is subject to regular review by the Board, Governance Committee and GISA Executive. This supports *31000:2018 Risk Management Guidelines*, which highlights the iterative nature of risk management and that 'new experiences, knowledge and analysis can lead to a revision of process elements, actions and controls at each stage of the process'.

### Fraud detected in the agency

There were no reported incidences or fraud in GISA in the 2022-23 financial year.

### Strategies implemented to control and prevent fraud

GISA has adopted a Fraud and Corruption Control Plan Framework in accordance with the South Australian Public Sector Fraud and Corruption Policy, and has implemented business procedures and internal controls to lower the risk of fraud occurring.

The Framework comprises the agency's policy to manage the risk of fraud and corruption in GISA, procedures for reporting suspected incidences of fraud, corruption, maladministration and misconduct, and a compliance program that requires annual reporting to the Chief Executive on measures undertaken to prevent fraud and corruption in the agency.

The Framework was reviewed in 2022-23 following changes brought about by changes to the *Independent Commission Against Corruption Act 2012*, and is due for comprehensive review in 2023-24.

**Public interest disclosure**

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

0

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Green Industries SA Act 2004</i>	Section 15(2)(a) – audited statement of the income and expenditure of the Green Industry Fund

See **Appendix A**.

Act or Regulation	Requirement
<i>Green Industries SA Act 2004</i>	Section 15(2)(b) – any direction given to Green Industries SA by the Minister

No Ministerial directions were given to GISA by the Minister for Climate, Environment and Water in 2022-23.

Act or Regulation	Requirement
<i>Green Industries SA Act 2004</i>	Section 15(2)(c) – details of coordination of activities by Green Industries SA and the Environment Protection Authority

GISA and the Environment Protection Agency (EPA) coordinate activities on a range of waste management and resource recovery matters. Key activities in 2022-23 included:

- The EPA invited a GISA representative to attend River Murray High Flow meetings in the emergency response phase of the flood event. To assist with the Disaster Waste Clean-up Recovery Program, the EPA appointed a representative to attend weekly Project Control Group meetings and fortnightly WHS and Environment Sub-Committee meetings. The EPA also advises on operational matters such as asbestos removal and transport, the flood waste voucher program and management of landfill operations.
- Collaboration on a Decision Regulatory Impact Statement on South Australia's *Single-use and Other Plastic Products (Waste Avoidance) Act 2020*, which was endorsed by the Australian Government Office of Impact Analysis.
- Continued implementation and administration of the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020* and consultation on the draft *Single-use and Other Plastic Products (Waste Avoidance) (Prohibited Plastic Products) Amendment Regulations 2023* to introduce new ban items in South Australia.
- Contribution to and participation in the *Environmental Protection (Waste to Resources) Policy 2010* review process.

- Contribution to national policy matters including implementing actions under the National Waste Policy, national reporting obligations and participation in the national working group, and providing joint submissions and response to product stewardship matters and national harmonisation projects.
- Participation in GISA grant assessment panel and consultation on licensee compliance associated with grant funding due diligence.
- Implementation of and continued consultation on the implementation of the Charitable Recyclers Subsidy Program.
- Continued collaboration on data related projects and matters based on agency level data sharing agreement, including waste to landfill data, solid waste levy revenue, incorporating mass balance reporting data into GISA data publications and state of the environment reporting.
- Local Government waste management services and infrastructure.

Regular meetings between GISA and the EPA are held at the Chief Executive level, as well as between directors and officers. The EPA is a member of the Single-Use Plastic Stakeholder Taskforce and the SA Sustainable Procurement Working Group, which GISA chairs.

Act or Regulation	Requirement
<i>Green Industries SA Act 2004</i>	Section 15(2)(d) – an assessment of the adequacy of the waste strategy and its implementation

*South Australia’s Waste Strategy 2020-25* advocates for high levels of recycling and reuse and has a number of landfill diversion targets.

During 2022-23, GISA continued to supported implementation of the waste strategy through programs that have leveraged investment to build resilience and capacity in the state’s resource recovery sector, support market development opportunities for recycled content products and materials, assist businesses to implement circular economy initiatives and achieve resource efficiencies, improve services for the community, and increase awareness of recycling behaviours. Further information on GISA’s programs can be found in its annual business plan on the GISA website.

The most recent state-wide data available (2021-22) shows the following performance against Waste Strategy targets:

- 52% diversion of Municipal Solid Waste (MSW) in 2021-22, against target of 65% by 2023
- 91% diversion of Commercial and Industrial (C&I) waste in 2021-22, against target of 85% by 2023
- 86% of Construction and Demolition (C&D) waste in 2021-22, against target of 90% by 2023.

Diversion rates achieved by metropolitan Adelaide in 2021-22 (against 2023 interim Waste Strategy targets):

- Municipal Solid Waste (MSW) 55.9% (65%)
- Commercial and Industrial (C&I) 88.2% (85%)
- Construction and Demolition (C&D) 87.2% (90%%)

Reforming kerbside waste management remains a key priority, and GISA is committed to working with Local Government to revolutionise house-hold waste management for the future. This is being undertaken through GISA’s partnership with the Local Government Association (SA) and local councils, the Council Modernisation Grants Program, Kerbside Performance (Food Waste) Incentives Program, Local Government recycling infrastructure projects, State-wide Recycling Education, Circular Economy Market Development Grants, and policy and strategy development. In 2022-23, the *SA Better Practice Guide: Sustainable Kerbside Services* was released to assist councils with practical information and tools to transition to systems that result in increased diversion of material from landfill and support a circular economy.

Recognising the valuable opportunity to contribute to the State’s economic growth, GISA will continue to promote innovation and business activity in the waste management, resource recovery and green industry sectors through the development of South Australia’s next Waste / Circular Economy Strategy for the period 2025 – 2030. The Strategy will ensure high-impact and specific action in new directions for food waste and single-use plastics, regulatory waste reforms, education and behaviour change, consider new emerging waste streams and, importantly, supporting market development and remanufacturing.

Act or Regulation	Requirement
<i>Single Use and Other Plastic Products (Waste Avoidance) Act 2020</i>	Section 14(1)(a) – information regarding the extent to which the Act has achieved its objectives

The objects of the *Single-use and Other Plastic Products (Waste Avoidance) Act 2020* (SUP Act) include to—

- a) provide for the restriction or prohibition of certain single-use and other plastic products; and
- b) promote and support better waste management practices including the reduction of marine litter; and
- c) promote and support the principles of the waste management hierarchy; and
- d) promote and support the principles of the circular economy.

**Section 5(a) – provide for the restriction or prohibition of certain single-use and other plastic products**

The purpose of the SUP Act to ‘provide for the restriction or prohibition of certain single-use and other plastic products’ has been achieved.

Single-use plastic straws, single-use plastic cutlery and single-use plastic drink stirrers have been restricted and prohibited from sale, supply, or distribution in South Australia since 1 March 2021, and expanded polystyrene cups, bowls, plates, and clamshell containers, and all oxo-degradable plastic products have been prohibited from sale, supply, and distribution since 1 March 2022. Oxo-degradable plastic products have also been prohibited from manufacture and production state-wide.

The legislation includes provisions enabling additional items to be added to the list of prohibited products via regulation (refer to section 14(1)(b) below for further information on the potential future scope of the SUP Act).

During 2022-23, additional product bans were announced, including from 1 September 2023, single-use plastic plates and bowls, plastic-stemmed cotton buds and plastic pizza savers will be prohibited from sale, supply or distribution in South Australia. Subsequent bans have been announced for 1 September 2024 and 1 September 2025. (Refer to section 14(1)(b) below for further information on items announced for phase out under the SUP Act).

**Section 5(b) – promote and support better waste management practices including the reduction of marine litter; and**

**Section 5(c) – promote and support the principles of the waste management hierarchy; and**

**Section 5(d) – promote and support the principles of the circular economy.**

The SUP Act has played an important role in allowing for the removal of a range of commonly littered and difficult-to-recycle plastic products from the South Australian market. The SUP Act has also played an important role in both promoting and supporting better waste management practices in South Australia, and the overarching principles of the waste management hierarchy and the circular economy.

The legislation, and the objectives which underpin it, have principally been promoted through the government's *Replace the Waste* campaign and *Plastic Free SA* initiative.

The [Replace the Waste](#) website, Facebook and Instagram pages have been the key platforms used to disseminate information about the legislation, including information on non-plastic and reusable alternatives to prohibited and soon-to-be prohibited items. *Replace the Waste* newsletters continue to facilitate Green Industries SA's engagement with industry, businesses and the broader community on matters relating to the SUP Act. The YourSAy government consultation website was also utilised to advertise the consultation on the draft *Single-use and Other Plastic Products (Waste Avoidance) (Prohibited Plastic Products) Amendment Regulations 2023*, undertaken in February 2023.

Also in February 2023, Green Industries SA worked with the City of Adelaide to develop targeted information for the Chinese business community in South Australia to provide information on the current and upcoming bans. Information was placed on the WeChat platform and the *Replace the Waste* website has been updated so that automatic translations are available for 7 languages, other than English. *Replace the Waste*

communication assets also continue to be made available in Chinese (simplified and traditional), Arabic, Greek, Hindi, Italian, Vietnamese and Punjabi.

The *Plastic Free SA* initiative was established by the South Australian Government to support South Australian cafes, restaurant, canteens, and mobile food vendors, in replacing a range of plastic takeaway products with reusable or compostable alternatives, and is delivered by a non-government organisation, Boomerang Alliance. The structure of the program has enabled Boomerang Alliance to track the phase-out of plastic products from participating businesses, and since the commencement of the program in November 2019 7,799,579 million pieces of plastic have been replaced.

In addition to the *Plastic Free SA* findings, other indicators that the legislation has to date been successful in meeting objectives 5(b), (c), and (d), include:

- the continued high levels of compliance of the legislation demonstrated by the limited number of reports of non-compliance received by the EPA SA since the legislation was introduced and up until 30 June 2023 (Refer to the EPA Annual Report 2022-23)
- the availability and presence of compostable alternative products in the market that can be directed to organic collection systems and, when inadvertently or deliberately littered, have fewer marine impacts.

South Australia’s SUP Act can also be recognised for its role in emboldening other Australian jurisdictions to take similar regulatory action to address single-use plastic and other problematic plastic products, and to expand on the range of items that are being phased out.

The implementation of plastic bans in other states and territories, is further promoting and supporting discussions at a national level on how packaging and product design, and community and industry waste management practices can be improved to better align with the principles of the waste management hierarchy, and the circular economy.

Act or Regulation	Requirement
<i>Single Use and Other Plastic Products (Waste Avoidance) Act 2020</i>	Section 14(1)(b) – information regarding consideration given to including additional plastic products within the ambit of the definition of <i>prohibited plastic product</i> by regulation pursuant to section 6(1)(h);

Section 14(1)(b) of the SUP Act requires that the annual report contain information regarding consideration given to including additional plastic products within the ambit of the definition of prohibited plastic product.

Items announced to be phased out over the next three stages include:

- From 1 September 2023: Plastic-stemmed cotton buds, single-use plastic bowls and plates, plastic pizza savers.
- From 1 September 2024: Plastic barrier bags, thick supermarket or boutique-style plastic bags, single-use plastic beverage containers (including coffee cups) and

attachments (such as lids and beverage plugs), other expanded polystyrene (EPS) consumer food and beverage containers in the market (e.g. gelato tubs), EPS trays used for meat, fruit and other food items, plastic confetti, plastic balloon sticks/ties, and plastic bread tags.

- From 1 September 2025: plastic fruit stickers, plastic soy sauce fish, pre-packaged and attached products (i.e. products that contain plastic straws or utensils).

**Reporting required under the *Carers' Recognition Act 2005***

N/A

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate	0

## OFFICIAL

2022-23 ANNUAL REPORT for GREEN INDUSTRIES SA

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2022-23</b>
		information; not fit for purpose	
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
Supplier	Procurement	Unsatisfied with outcome of procurement process	1
		<b>Total</b>	<b>1</b>

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	0
Number of negative feedback comments	1
Total number of feedback comments	1
% complaints resolved within policy timeframes	0

**Service Improvements**

N/A
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**Compliance Statement**

GISA is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y - adopts DEW policy
GISA has communicated the content of PC039 and the agency’s related complaints policies and procedures to employees.	Update due

## **Appendix A: Audited financial statements 2022-23**



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## To the Presiding Member Green Industries SA

### Opinion

I have audited the financial report of Green Industries SA for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of Green Industries SA as at 30 June 2023, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, Chief Executive and Associate Director, Governance and Business.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of Green Industries SA. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of the Chief Executive and the Board for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of Green Industries SA for the financial year ended 30 June 2023.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Green Industries SA's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue  
**Assistant Auditor-General (Financial Audit)**

27 September 2023

**Green Industries SA  
(GISA)**

**Financial Statements**

**For the year ended 30 June 2023**

**Green Industries SA**  
**Certification of Financial Statements**  
*for the year ended 30 June 2023*

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We certify that the:

- financial statements of Green Industries SA:
  - are in accordance with the accounts and records of Green Industries SA;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of Green Industries SA at the end of the financial year and the results of their operations and cash flows for the financial year.
- internal controls employed by Green Industries SA for the financial year over their financial reporting and their preparation of financial statements have been effective.



Ian Overton

**Chief Executive**

26 September 2023



Josh Wheeler

**Associate Director, Governance and Business**

26 September 2023



Nikki Govan

**Presiding Member**

Board of Green Industries SA

26 September 2023

**Green Industries SA**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2023*

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	Note	2023 \$'000	2022 \$'000
<b>Income</b>			
Solid waste levies	1.4	47 395	49 470
Revenues from SA Government	2.1	10 493	3 836
Interest	2.2	1 868	82
Resources received free of charge	2.3	37	32
Other income	2.4	348	70
<b>Total income</b>		<b>60 141</b>	<b>53 490</b>
<b>Expenses</b>			
Employee benefits expenses	3.3	4 477	3 646
Supplies and services	4.1	16 226	3 282
Depreciation	5.1	54	54
Grants and subsidies	4.2	40 208	62 602
Other expenses	4.3	22	18
<b>Total expenses</b>		<b>60 987</b>	<b>69 602</b>
<b>Net result</b>		<b>(846)</b>	<b>(16 112)</b>
<b>Total comprehensive result</b>		<b>(846)</b>	<b>(16 112)</b>

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

**Green Industries SA**  
**Statement of Financial Position**  
*as at 30 June 2023*

	Note	2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	73 914	68 194
Receivables	6.2	1 067	320
Loans	6.3	731	240
<b>Total current assets</b>		<b>75 712</b>	<b>68 754</b>
<b>Non-current assets</b>			
Property, plant and equipment	5.1	266	320
Loans	6.3	2 029	2 760
<b>Total non-current assets</b>		<b>2 295</b>	<b>3 080</b>
<b>Total assets</b>		<b>78 007</b>	<b>71 834</b>
<b>Current liabilities</b>			
Payables	7.1	7 997	1 147
Employee benefits	3.4	343	571
Other liabilities	7.3	64	64
Provisions	7.2	37	10
<b>Total current liabilities</b>		<b>8 441</b>	<b>1 792</b>
<b>Non-current liabilities</b>			
Payables	7.1	83	50
Employee benefits	3.4	836	513
Other liabilities	7.3	244	308
Provisions	7.2	108	30
<b>Total non-current liabilities</b>		<b>1 271</b>	<b>901</b>
<b>Total liabilities</b>		<b>9 712</b>	<b>2 693</b>
<b>Net assets</b>		<b>68 295</b>	<b>69 141</b>
<b>Equity</b>			
Retained earnings		68 295	69 141
<b>Total equity</b>		<b>68 295</b>	<b>69 141</b>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

**Green Industries SA**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2023*

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	<b>Retained earnings \$'000</b>	<b>Total equity \$'000</b>
<b>Balance at 1 July 2021</b>	85 253	85 253
Net result for 2021-22	(16 112)	(16 112)
<b>Total comprehensive result for 2021-22</b>	<b>(16 112)</b>	<b>(16 112)</b>
<b>Balance at 30 June 2022</b>	<b>69 141</b>	<b>69 141</b>
Net result for 2022-23	(846)	(846)
<b>Total comprehensive result for 2022-23</b>	<b>(846)</b>	<b>(846)</b>
<b>Balance at 30 June 2023</b>	<b>68 295</b>	<b>68 295</b>

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

**Green Industries SA**  
**Statement of Cash flows**  
*for the year ended 30 June 2023*

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	Note	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>			
<i>Cash inflows</i>			
Waste levies received		47 395	49 470
Receipts from SA Government		10 476	3 833
Interest received		1 662	86
GST recovered from DEW		4 971	6 590
Other receipts		347	15
<b>Cash generated from operations</b>		<b>64 851</b>	<b>59 994</b>
<i>Cash outflows</i>			
Employee benefits payments		(4 256)	(3 845)
Payments for supplies and services		(11 041)	(6 311)
Payments of grants and subsidies		(44 050)	(72 365)
Other payments		(24)	(20)
<b>Cash used in operations</b>		<b>(59 371)</b>	<b>(82 541)</b>
<b>Net cash provided by / (used in) operating activities</b>	8.1	<b>5 480</b>	<b>(22 547)</b>
<b>Cash flows from investing activities</b>			
<i>Cash inflows</i>			
Proceeds from loan		240	906
<b>Cash generated from investing activities</b>		<b>240</b>	<b>906</b>
<b>Net cash provided by investing activities</b>		<b>240</b>	<b>906</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>5 720</b>	<b>(21 641)</b>
Cash and cash equivalents at the beginning of the reporting period		68 194	89 835
<b>Cash and cash equivalents at the end of the reporting period</b>	6.1	<b>73 914</b>	<b>68 194</b>

The accompanying notes form part of these financial statements.

# Green Industries SA

## Notes to and forming part of the financial statements

for the year ended 30 June 2023

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### 1. About Green Industries SA

Green Industries SA (GISA) is a not-for-profit entity and comprises the following:

- GISA – a statutory corporation with an appointed governing board established by the *Green Industries SA Act 2004*
- an administrative unit named the Office of Green Industries SA established under the *Public Sector Act 2009*
- the Green Industry Fund established under the *Green Industries SA Act 2004*.

The Chief Executive of the statutory corporation is subject to the control and direction of the Board in giving effect to its policies and decisions. The *Green Industries SA Act 2004* permits the statutory corporation to make use of the services of the administrative unit's employees and facilities.

#### 1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable
- receivables and payables, which are stated with the amount of GST included.

GISA is grouped with the Department for Environment and Water (DEW) for GST purposes, and accordingly DEW prepares the Business Activity Statement on behalf of GISA via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure GISA either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DEW.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**1.2. Objectives and programs**

**Objectives**

GISA promotes waste management practices that, as far as possible, eliminate waste or its consignment to landfill; and promotes innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present a valuable opportunity to contribute to the state's economic growth and community wellbeing.

To achieve its objectives, GISA undertakes programs and projects according to *South Australia's Waste Strategy 2020-25* and its strategic plan and annual business plan which include:

- developing and implementing government policy objectives in waste management, resource recovery, single-use plastics, green industry development, the circular economy and sustainability
- encouraging innovation and economic growth through the circular economy and achieving sustainability gains economically, environmentally and socially
- helping South Australian businesses and industries to reduce their costs through efficiencies in materials, water and energy, to develop and implement net-zero emissions targets and plans and to achieve sustainability
- administering grants to local government, business and industry to drive innovation and to support the circular economy through best practice in waste management, resource recovery, recycling and remanufacturing
- developing, administering and monitoring the state's waste strategy and food waste strategy
- reporting against landfill diversion targets, recycling outcomes and circular economy activity
- developing behaviour change programs to improve recycling and waste avoidance practices in households, schools and businesses
- functional lead for disaster waste management under the Government of South Australia's State Emergency Management Plan.

**Programs**

To achieve its objectives, GISA undertakes its services through a single program, 'Circular Economy and Green Industry Development'. Therefore, a Statement of Disaggregated Disclosures has not been prepared.

**Green Industries SA**  
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**1.3. Budget performance**

The budget performance table compares GISA's outcomes against budget information presented to Parliament (2022-23 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000
<b>Statement of Comprehensive Income</b>				
<b>Income</b>				
Solid waste levies		50 143	47 395	(2 748)
Revenues from SA Government		9 058	10 493	1 435
Interest		305	1 868	1 563
Revenues received free of charge		-	37	37
Other income		242	348	106
<b>Total income</b>		<b>59 748</b>	<b>60 141</b>	<b>393</b>
<b>Expenses</b>				
Employee benefits expenses		3 911	4 477	566
Supplies and services	a	3 857	16 226	12 369
Depreciation		54	54	-
Grants and subsidies	b	46 247	40 208	(6 039)
Other expenses		12	22	10
<b>Total expenses</b>		<b>54 081</b>	<b>60 987</b>	<b>6 906</b>
<b>Net result</b>		<b>5 667</b>	<b>(846)</b>	<b>(6 513)</b>

Explanations are provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of the original budgeted total expenses.

- a Supplies and services are \$12.369 million higher than the original budget predominantly due to expenditure associated with the River Murray Flood clean-up program. The budget for this program was approved during the 2022-23 financial year.
- b Grants and subsidies are \$6.039 million lower than the original budget primarily due to underspending for several GISA grant programs due to the timing of works, for which funds have been committed and carryover will be sought from 2022-23 to 2023-24.

**1.4. Significant transactions with government related entities**

Significant transactions with the SA Government are identifiable throughout this financial report. In addition:

- GISA had significant transactions with the Environment Protection Authority (EPA) during the 2022-23 financial year. The receipts of \$47.395 million (2022: \$49.470 million) from the EPA are associated with the transfer of 50% of solid waste levy revenue collected in accordance with the *Environment Protection Act 1993* and transferred to GISA in accordance with section 17 of the *Green Industries SA Act 2004*.
- GISA also made significant intra government transfer payments of \$13.246 million (2022: \$29.052 million) to DEW and \$9.594 million (2022: \$20.759 million) to the Department for Energy and Mining (DEM) for climate change initiatives.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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**2. Income**

**2.1. Revenues from SA Government**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Intra-government transfers	10 275	3 836
Recovery from Department of Treasury and Finance for TVSP	218	-
<b>Total revenues from SA Government</b>	<b>10 493</b>	<b>3 836</b>

Revenues from SA Government are recognised as income on receipt.

Primarily related to funding of \$10.076 million received from the Australian Government via DTF for the National Partnership on Recycling Infrastructure Program.

**2.2. Interest**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from the Green Industry Fund*	1 824	-
Interest on loan receivable^	44	82
<b>Total interest revenues</b>	<b>1 868</b>	<b>82</b>

\* The Green Industry Fund earns a floating interest rate, based on daily bank deposit rates. There was no interest earned during 2021-22 due to DTF advising public authorities in November 2020 that, given interest rates were approximately 0%, no interest would be paid on any interest bearing accounts held with the Treasurer. Interest re-commenced being paid in September 2022 on cash balances from May 2022.

Interest income is recognised on receipt.

^ Relates to interest revenue of \$43 694 (2022: \$60 910) collected from the Recycling Infrastructure loan – refer to note 6.2 and 6.3.

**2.3. Resources received free of charge**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Services received free of charge - Shared Services SA	37	32
<b>Total resources received free of charge</b>	<b>37</b>	<b>32</b>

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated. GISA receives Financial Accounting, Taxation, Payroll, Accounts Payable from Shared Services SA free of charge valued at \$27 910 (2022: \$23 304), and ICT services from the Department of the Premier and Cabinet (DPC) valued at \$9 000 (2022: \$9 000).

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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**2.4. Other income**

	2023	2022
	\$'000	\$'000
Return of unspent funds*	293	-
Professional advice and services	40	-
Reimbursement of expenses incurred^	13	62
Grant refund	-	8
Other sundry revenue	2	-
<b>Total other income</b>	<b>348</b>	<b>70</b>

\* Primarily related to the return of \$243 000 from the Local Government Association SA under the Local Government Kerbside Performance (Food Waste) Incentives Program for a food waste container program that did not proceed.

^ Primarily related to funding of \$50 000 reimbursed by South Australian Regional Development Australia Boards in 2022 for the Benefits of a Circular Economy to Regional South Australia project.

**3. Board, committees and employees**

**3.1. Key management personnel**

Key management personnel of GISA include the Minister for Climate, Environment and Water (the Minister), Board Members, the Chief Executive, Director and Associate Directors, who have key responsibility for the strategic direction and management of GISA.

The compensation detailed in the table below excludes salaries and other benefits received by the Minister. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

	2023	2022
	\$'000	\$'000
<b>Compensation</b>		
Salaries and other short term employee benefits*	1 046	1 054
Post-employment benefits	110	130
Other long-term employment benefits	37	-
Termination benefits	150	-
<b>Total</b>	<b>1 343</b>	<b>1 184</b>

***Transactions with key management personnel and other related parties***

Related parties of GISA include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the government.

During 2022-23, one member of GISA's key management personnel held a Director role for part of the year, at Circular360. As at 30 June 2023, no member of GISA's key management personnel held a Director role with Circular360. Grants provided by GISA to Circular360 during 2022-23 were \$150 000 (2021-22: \$300 000). Refer note 4.2. There were no other transactions between GISA and Circular360.

GISA did not enter into any other transactions with key management personnel or their close family members during the reporting period.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**3.2. Board and committee members**

Members during the 2022-23 financial year were:

**Green Industries SA Board**

N Govan (Presiding Member, appointed February 2023)	T Powell (appointed February 2023)
K P McGuinness (retired February 2023)	P P Sandercock (retired February 2023)
J L Conduit	V Tremaine (retired February 2023)
T Dodd	A J Skull
D McOmish (appointed February 2023)	R Wilson (appointed February 2023)
I Overton* (Ex Officio)	

\* In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committees during the financial year.

**Board and committee remuneration**

The number of members whose remuneration received or receivable falls within the following bands:

	2023	2022
\$0 - \$19 999	11	7
\$20 000 - \$39 999	-	1
<b>Total number of members</b>	<b>11</b>	<b>8</b>

The total remuneration received or receivable by members was \$88 000 (2022: \$89 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

**3.3. Employee benefits expenses**

	2023	2022
	\$'000	\$'000
Salaries and wages	2 840	2 674
Employment on-costs - superannuation	380	326
Workers compensation	330	23
Annual leave	302	282
Targeted voluntary separation packages	216	30
Employment on-costs - other	156	140
Long service leave	141	77
Board and committee fees	78	80
Skills and experience retention leave	29	11
Other employment related expenses	5	3
<b>Total employee benefits expenses</b>	<b>4 477</b>	<b>3 646</b>

**Employment expenses**

Employees are employed under Part 7 of the *Public Sector Act 2009*.

The superannuation employment on-cost charge represents GISA's contributions to superannuation plans in respect of current services of current employees.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**3.3. Employee benefits expenses (continued)**

***Employee remuneration***

The number of employees whose remuneration received or receivable falls within the following bands:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
\$157 001 – \$160 000^	n/a	1
\$160 001 – \$180 000	1	1
\$220 001 – \$240 000	1	1
\$260 001 – \$280 000	1	-
\$280 001 – \$300 000	-	1
<b>Total</b>	<b>3</b>	<b>4</b>

^This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2021-22.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. The total remuneration received by those employees for the years was \$0.664 million (2022: \$0.825 million).

Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and any related fringe benefits paid.

***Targeted Voluntary Separation Packages (TVSPs)***

The number of employees who accepted a TVSP during the reporting period was 2 (2022: nil). In 2021-22, 1 employee accepted a Rejuvenation Scheme package.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Amounts paid to separated employees:		
Targeted Voluntary Separation/Rejuvenation Package	216	30
Leave paid to separated employees	52	5
Recovery from DTF	(218)	-
<b>Net cost to GISA</b>	<b>50</b>	<b>35</b>

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**3.4. Employee benefits liability**

	2023 \$'000	2022 \$'000
<b><u>Current</u></b>		
Accrued salaries and wages	-	4
Annual leave	300	315
Long service leave	8	236
Skills and experience retention leave	35	16
<b>Total current employee benefits</b>	<b>343</b>	<b>571</b>
<b><u>Non-current</u></b>		
Long service leave	836	513
<b>Total non-current employee benefits</b>	<b>836</b>	<b>513</b>
<b>Total employee benefits</b>	<b>1 179</b>	<b>1 084</b>

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

***Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave***

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

The salary inflation rate for annual leave and skills, experience and retention leave liability has increased from 2022 (1.50%) to 2023 (2.0%)

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

***Long service leave***

AASB 119 *Employee Benefits* specifies the calculation methodology for long service leave liability. The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth bonds has increased from 2022 (3.50%) to 2023 (4.0%).

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows results in a decrease in the reported long service leave liability.

Following the actuarial assessment performed by DTF the salary inflation rate has increased from 2022 (2.5%) to 2023 (3.5%) for long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service liability of \$25 000. The impact on future periods is impracticable to estimate as the long service liability is calculated using a number of demographic and financial assumptions – including the long-term discount rate.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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**3.4. Employee benefits liability (continued)**

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on the average proportion of long service leave taken or paid over the last year.

**4. Expenses**

**4.1. Supplies and services**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Fee for service - River Murray flood clean-up program	11 886	-
Fee for service - community education programs	627	597
Waste disposal	497	366
Fee for service - waste strategy and policy including single-use plastics	573	303
General administration	436	232
Fee for service - recycling and waste activities	364	249
Information technology and communication charges	255	168
Consultants	252	146
Accommodation	172	141
Fee for service - other	149	62
Fee for service - circular economy	120	259
Staff development	95	44
Fee for service - DEW	85	83
Fee for service - circular built environment	83	-
Minor works, maintenance and equipment	80	49
Fee for service - local government	70	-
Fee for service - light globes collection	52	48
Contractors	41	109
Advertising	4	-
Other	385	426
<b>Total supplies and services</b>	<b>16 226</b>	<b>3 282</b>

**Accommodation**

GISA's accommodation is provided by Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and are accordingly expensed. Information about accommodation incentives relating to these arrangements are shown at note 7.3.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**4.2. Grants and subsidies**

	2023	2022
	\$'000	\$'000
Climate change initiatives *	22 840	49 811
Recycling Modernisation Grant Program ^	12 101	6 180
Recycling Infrastructure Grants Program - Industry and Local Government	2 415	1 896
Regional Transport Subsidies Program	1 196	884
Circular Economy Market Development Grant Program	440	312
Business Sustainability Program	294	306
Council Modernisation Grants	290	-
Local Government Program (Food Waste)	227	228
Charitable Recyclers Subsidy Program	152	192
Circular360 #	150	300
Bushfire Tree Clean up @	-	2 444
Trade Waste Initiative	-	30
Other contributions	103	19
<b>Total grants and subsidies</b>	<b>40 208</b>	<b>62 602</b>

\* Intra government transfers for climate change projects as approved by the Minister under the *Green Industries SA Act 2004*, independent of the Board of Green Industries SA

^ A joint funded grant program by the Commonwealth and State governments to South Australia's resource recovery sector under the National Partnership on Recycling Infrastructure over 2020-21 to 2026-27.

@ Return of unspent funds previously received from DTF for Bushfire Tree Clean Up.

# Refer to note 8.2

**4.3. Other expenses**

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$22 000 (2022: \$18 000). No other services were provided by the Auditor-General's Department.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**5. Non-financial assets**

**5.1. Property, plant and equipment**

Property, plant and equipment owned by GISA with a value of \$10 000 or greater are capitalised, otherwise it is expensed. Property, plant and equipment owned by GISA is recorded at fair value.

Leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Depreciation on leasehold improvements is calculated on a straight line basis over the estimated useful life of 12 years.

**Reconciliation 2022-23**

	Leasehold improvements \$'000	Total \$'000
Carrying amount at the beginning of the period	320	320
Depreciation	(54)	(54)
<b>Carrying amount at the end of the period</b>	<b>266</b>	<b>266</b>
<b>Gross carrying amount</b>		
Gross carrying amount	655	655
Accumulated depreciation	(389)	(389)
<b>Carrying amount at the end of the period</b>	<b>266</b>	<b>266</b>

**Reconciliation 2021-22**

	Leasehold improvements \$'000	Total \$'000
Carrying amount at the beginning of the period	374	374
Depreciation	(54)	(54)
<b>Carrying amount at the end of the period</b>	<b>320</b>	<b>320</b>
<b>Gross carrying amount</b>		
Gross carrying amount	655	655
Accumulated depreciation	(335)	(335)
<b>Carrying amount at the end of the period</b>	<b>320</b>	<b>320</b>

**Impairment**

Property, plant and equipment owned by GISA has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**6. Financial assets**

**6.1. Cash and cash equivalents**

Deposits with the Treasurer

	2023	2022
	\$'000	\$'000
Green Industry Fund	73 914	68 194
<b>Total cash and cash equivalents</b>	<b>73 914</b>	<b>68 194</b>

The Green Industry Fund is established under section 17 of the *Green Industries SA Act 2004*. The Fund must be kept as directed by the Treasurer. The Green Industry Fund deposit account was established under section 21 of the *Public Finance and Audit Act 1987*.

Cash is measured at nominal amounts. In accordance with section 17(5) of the *Green Industries SA Act 2004*, the Green Industry Fund may be applied by GISA or by the Minister for Climate, Environment and Water. In 2022-23, the Fund was used in accordance with the GISA 2022-23 business plan approved by the Board of GISA and Minister; and the Fund was also applied by the Minister towards the costs of climate change initiatives and disaster waste management for the 2022-23 River Murray flood clean-up program.

**6.2. Receivables**

	2023	2022
	\$'000	\$'000
<b>Current</b>		
<b>Trade receivables</b>		
Debtors	83	67
Accrued revenues	267	61
Prepayments	5	116
GST input tax recoverable from DEW	711	75
Workers' compensation recoveries	1	1
<b>Total current receivables</b>	<b>1 067</b>	<b>320</b>
<b>Total receivables</b>	<b>1 067</b>	<b>320</b>

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. Prepayments are not financial assets.

It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

The net amount of GST recoverable from the ATO (via DEW) is included as part of receivables.

Refer to note 10.3 for further information on risk management.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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**6.3. Loans**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Recycling Infrastructure loan	731	240
<b>Total current loans</b>	<b>731</b>	<b>240</b>
<b><u>Non-current</u></b>		
Recycling Infrastructure loan	2 029	2 760
<b>Total non-current loans</b>	<b>2 029</b>	<b>2 760</b>
<b>Total loans</b>	<b>2 760</b>	<b>3 000</b>

This loan provided by GISA in 2018-19 supported a plastic recycling business to invest in advanced manufacturing equipment to sort and process plastic waste into high quality material for sale into local and export markets. The loan is managed by SAFA. The term of the loan is 7 years and commenced on 14 February 2019. The loan was interest only at a rate of 2.17% for 3 years, payable monthly, but is now principal and interest for the remaining 4 years at the rate of 1.80% from February 2022.

**7. Liabilities**

**7.1. Payables**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Trade payables*	7 882	1 019
Accrued expenses	19	18
Employment on-costs	96	110
<b>Total current payables</b>	<b>7 997</b>	<b>1 147</b>
<b><u>Non-current</u></b>		
Employment on-costs	83	50
<b>Total non-current payables</b>	<b>83</b>	<b>50</b>
<b>Total payables</b>	<b>8 080</b>	<b>1 197</b>

Payables and accruals are recognised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

\* The increase in trade payables primarily relates to payments towards the River Murray flood clean-up program.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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**7.1. Payables (continued)**

***Employment on-costs***

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

GISA contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has increased from the 2022 rate (42%) to 2023 (43%). The average factor for the calculation of employer superannuation cost on-costs has increased from the 2022 rate (10.6%) to 2023 (11.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year are immaterial.

**7.2. Provisions**

All provisions relate to workers compensation.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	40	16
Additional provisions recognised	105	24
<b>Carrying amount at the end of the period</b>	<b>145</b>	<b>40</b>

GISA is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, GISA is responsible for the management of workers rehabilitation and compensation, and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

**7.3. Other liabilities**

All other liabilities relate to accommodation incentive arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities under AASB 16 *Leases*. DIT has provided a fit-out of accommodation. The benefit of these incentives is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**8. Other disclosures**

**8.1. Cash flow**

*Cash flow reconciliation*

*Reconciliation of net result to cash flows from operating activities*

	2023 \$'000	2022 \$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	73 914	68 194
<b>Balance as per the Statement of Cash Flows</b>	<b>73 914</b>	<b>68 194</b>
<b>Reconciliation of net cash provided by/(used in) operating activities to net result from providing services</b>		
Net cash used in operating activities	5 480	(22 547)
<b>Add / less non-cash items</b>		
Depreciation	(54)	(54)
Loan interest capitalised	-	(240)
<b>Net cash provided by/(used in) operating activities before change in assets and liabilities</b>	<b>5 426</b>	<b>(22 841)</b>
<b>Movement in assets and liabilities</b>		
Increase in receivables	747	381
(Increase) / decrease in payables	(6 883)	6 104
(Increase) / decrease in employee benefits	(95)	199
Decrease in other liabilities	64	69
(increase) in provisions	(105)	(24)
<b>Net result</b>	<b>(846)</b>	<b>(16 112)</b>

**8.2. Interests in other entities**

During 2021-22, GISA and Circular Economy Alliance Australia Pty Ltd (CEAA) entered into an agreement to establish Circular360 Limited. As Circular360 is a company limited by guarantee, GISA and CEAA's exposure to liabilities is limited to \$100. In addition, GISA and CEAA have no entitlement/claims to any dividend, other distribution of profits or net assets of Circular360.

Circular360 is based in Adelaide and its purpose is to promote, educate, research, develop and implement the circular economy.

As per note 4.2, based on the current agreement, GISA provided \$150 000 (2022: \$300 000) financial assistance to Circular360.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
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## 9. Outlook

### 9.1. Unrecognised commitments

#### *Contractual commitments*

Expenditure contracted for at the reporting date but not recognised as liabilities are as follows:

	2023	2022
	\$'000	\$'000
Within one year	8 153	9 348
Later than one year but not longer than five years	14 827	30 506
Later than five years	-	3 666
<b>Total expenditure commitments</b>	<b>22 980</b>	<b>43 520</b>

GISA's contractual commitments are for:

- agreements for memoranda of administrative arrangements with DIT for accommodation; and
- approved funding to DEM for climate change initiatives.

### 9.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

#### *Contingent Asset*

Bank guarantees are used in some industries to secure the performance of contractual obligations/requirements. As at 30 June 2023, GISA holds two bank guarantees for the River Murray flood clean-up program valued at approximately \$1.5 million in total. The bank guarantees are unconditional and payable upon demand to GISA, only if the contractor fails to meet/perform their contractual requirements.

GISA is not aware of any contingent liabilities.

### 9.3. Impact of standards not yet effective

GISA has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet effective. These standards and interpretations are not expected to have a material impact on the GISA's statements.

### 9.4. Events after the reporting period

GISA is not aware of any event occurring after balance date that would materially affect the financial statements.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

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**10. Measurement and risk**

**10.1. Long service leave liability – measurement**

See note 3.4 for measurement of long service leave liability.

**10.2. Financial instruments**

***Financial risk management***

Risk management is managed by GISA's corporate services section. GISA's risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

GISA's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

***Liquidity risk***

GISA is funded principally from solid waste levies received under the *Green Industries SA Act 2004* (refer to note 1.4). GISA's expenditure authority is approved by the Treasurer each year, based on budgeted revenues and expenditures outlined in an annual business plan.

***Credit risk***

GISA has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by GISA.

***Impairment of financial assets***

GISA considers that its cash, cash equivalents and receivables have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

***Market risk***

GISA does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. GISA does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the Government's risk management strategy articulated in *TI 23 Management of Foreign Currency Exposures*.

GISA has no interest bearing liabilities as at the end of the reporting period. There is no exposure to foreign currency or other price risks.

There have been no significant changes in risk exposure since the last reporting period.

***Categorisation and classification of financial instruments***

Details of the material accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

**Green Industries SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

**10.2. Financial instruments (continued)**

Classification of Financial Instruments

Financial assets and financial liabilities are measured at amortised cost.

Category of financial asset and financial liability	Note	2023 Carrying amount / fair value \$'000	2023 Contractual maturities		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
<b>Cash and cash equivalents</b>					
Cash and cash equivalents		73 914	n/a	n/a	n/a
<b>Financial assets at amortised cost</b>					
Receivables	(1), (2)	351	n/a	n/a	n/a
Loans		2 760	n/a	n/a	n/a
<b>Total financial assets</b>		<b>77 025</b>			
<b>Financial liabilities</b>					
<b>Financial liabilities at amortised cost</b>					
Payables	(1)	7 882	7 882	-	-
<b>Total financial liabilities</b>		<b>7 882</b>	<b>7 882</b>	<b>-</b>	<b>-</b>

Category of financial asset and financial liability	Note	2022 Carrying amount / fair value \$'000	2022 Contractual maturities		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
<b>Cash and cash equivalents</b>					
Cash and cash equivalents		68 194	n/a	n/a	n/a
<b>Financial assets at amortised cost</b>					
Receivables	(1), (2)	129	n/a	n/a	n/a
Loans		3 000	n/a	n/a	n/a
<b>Total financial assets</b>		<b>71 323</b>			
<b>Financial liabilities</b>					
<b>Financial liabilities at amortised cost</b>					
Payables	(1)	1 019	1 019	-	-
<b>Total financial liabilities</b>		<b>1 019</b>	<b>1 019</b>	<b>-</b>	<b>-</b>

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.

(2) Receivables disclosed here exclude prepayments as they are not financial assets. Prepayments are presented in note 6.2.